

# BOARD OF ALDERMEN

ITEM NO. C(8)

## AGENDA ITEM ABSTRACT

MEETING DATE: October 3, 2006

**TITLE: A Resolution Requesting Waiver of Street Assessment Payment Acceleration**

<b>DEPARTMENT:</b> Management Services	<b>PUBLIC HEARING:</b> NO
<b>ATTACHMENTS:</b> A. Resolution	<b>FOR INFORMATION CONTACT:</b> Nancy Emslie, Accounting Officer, 918-7306 Management Services Department

### PURPOSE:

It has come to the attention of Town staff that several residents are delinquent in making payments on the assessment liens that were levied for the recent Lisa Drive and Quail Roost Drive street assessment projects. Under G.S. § 160A-233(b), when a person becomes delinquent the entire amount due is accelerated (i.e. it becomes immediately due and payable), unless the Board of Aldermen waives the acceleration. The staff is requesting that the Board waive the acceleration of all currently delinquent payments and that the Board authorize the Finance Officer to arrange alternate payment plans that would assist citizens who have become delinquent to repay their street assessment liens in full.

### INFORMATION

The staff propose to allow alternative payment plans that would include either semi-annual, quarterly or monthly payments but that no plan may exceed more than forty-eight (48) installment payments to ensure that all payments past due are made by the same time as those who are not delinquent. Eight percent (8%) interest will accrue on the unpaid principal balance.

### FISCAL IMPACT

Because eight percent (8%) interest will be charged on unpaid balances (which is the same rate charged on assessment liens that are not delinquent), the Town will not lose money by offering alternative payment plans. Also, it is hoped that alternative payment plans will allow the Town to avoid initiating foreclosure proceedings as required by state statute to collect unpaid assessment liens.

### RECOMMENDATION

The Town staff recommends that the Board of Alderman adopt the attached resolution waiving acceleration on currently delinquent payments and authorizing alternative payment plans.